

21 NCAC 08G .0404, is proposed to be amended as follows:

.0404 REQUIREMENTS FOR CPE CREDIT

(a) A CPA shall not be granted CPE credit for a course unless the course:

- (1) is in one of the ~~six~~ seven fields of study recognized by the Board and set forth in Paragraph (b) of this Rule;
- (2) is developed by an individual who has education and work experience in the subject matter of the course; and
- (3) uses instructional techniques and materials that are current and accurate.

(b) The ~~six~~ seven fields of study recognized by the Board are accounting and auditing, consulting services, ethics, management, personal development, specialized knowledge and applications, and taxation.

- (1) ~~The accounting and auditing field of study includes accounting and financial reporting subjects, the body of knowledge dealing with recent pronouncements of authoritative accounting principles issued by the standard setting bodies, and any other related subject generally classified within the accounting discipline. It also includes auditing subjects related to the examination of financial statements, operations systems, and programs; the review of internal and management controls; and the reporting on the results of audit findings, compilation, and review.~~

Accounting and Auditing

(A) Accountancy

(B) Accounting – Governmental

(C) Auditing

(D) Auditing – Governmental

- (2) ~~The consulting services field of study deals with all consulting services provided by professional accountants—management, business, personal, and other. It includes management consulting services and personal financial planning services. This field also covers an organization's various systems, the services provided by consultant practitioners, and the engagement management techniques that are typically used. An organization's systems include those dealing with planning, organizing, and controlling any phase of individual financial activity and business activity. Services provided encompass those for management, such as designing, implementing, and evaluating operating systems for organizations, as well as business consulting services and personal financial planning.~~

Consulting Services

(A) Administrative Practice

(B) Social Environment of Business

- (3) The management field of study considers the management needs of individuals primarily in public practice, industry, and government. Some subjects concentrate on the practice management area of the public practitioner, such as organizational structures, marketing services, human resource management, and administrative practices. For individuals in industry, there are subjects dealing with the financial management of the organization, including information systems, budgeting, and asset management, as well as items covering management planning, buying and selling businesses, contracting for goods and services, and foreign operations. For CPAs in government, this curriculum embraces budgeting, cost analysis, human resource management, and financial management in state and local governmental entities. In general, the emphasis in this field is on the specific management needs of CPAs and not on general management skills.

Ethics

(A) Behavioral Ethics

(B) Regulatory Ethics

- (4) The personal development field of study includes becoming a competent people manager, which covers such skills as communications, managing the group process, and dealing effectively with others in interviewing, counseling, and career planning. Public relations and professional ethics are also treated.

Management

(A) Business Law

(B) Business Management and Organization

(C) Finance

(D) Management Advisory Services

(E) Marketing

- (5) The specialized knowledge and applications field of study treats subjects related to specialized industries, such as not for profit organizations, health care, and oil and gas.

Personal Development

(A) Communications

(B) Personal Development

(C) Personnel/HR

- (6) The taxation field of study includes subjects dealing with tax compliance and tax

~~planning. Compliance covers tax return preparation and review and IRS examinations, ruling requests, and protests. Tax planning focuses on applying tax rules to prospective transactions and understanding the tax implications of unusual or complex transactions. Recognizing alternative tax treatments and advising the client on tax saving opportunities are also part of tax planning.~~

Special Knowledge and Applications

(A) Computer Science

(B) Economics

(C) Mathematics

(D) Production

(E) Specialized Knowledge and Applications

(F) Statistics

(7) Tax

(A) Tax

(c) The following may qualify as acceptable types of continuing education programs, provided the programs comply with the requirements set forth in Paragraph (a) of this Rule:

- (1) professional development programs of national and state accounting organizations;
- (2) technical sessions at meetings of national and state accounting organizations and their chapters;
- (3) courses taken at regionally accredited colleges and universities;
- (4) educational programs that are designed and intended for continuing professional education activity conducted within an association of accounting firms; and
- (5) correspondence courses that are designed and intended for continuing professional education activity. ~~A CPA may claim credit for a course offered by a non-registered sponsor provided that the course meets the requirements of 21 NCAC 08G .0403(e), 21 NCAC 08G .0404, and 21 NCAC 08G .0409. The CPA shall maintain documentation proving that the course met these standards.~~

(d) CPE credit may be granted for teaching a CPE course or authoring a publication as long as the preparation to teach or write increased the CPA's professional competency and was in one of the ~~six~~ seven fields of study recognized by the Board and set forth in Paragraph (b) of this Rule.

(e) CPE credit shall not be granted for a self-study course if the material that the CPA must study to take the examination is not designed for CPE purposes. This includes periodicals, guides, magazines, subscription services, books, reference manuals and supplements which contain an examination to test the comprehension of the material read.

(f) A CPA may claim credit for a course offered by a non-registered sponsor provided that the

course meets the requirements of 21 NCAC 08G .0403(c), 21 NCAC 08G .0404, and 21 NCAC 08G .0409. The CPA shall maintain documentation proving that the course met these standards.